

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF ALABAMA
SOUTHERN DIVISION

UNITED STATES SECURITIES AND
EXCHANGE COMMISSION,

Plaintiff,

v.

AUSTAL LIMITED AND AUSTAL USA, LLC,

Defendants.

Civil Action No. 24-cv-00307

**PLAINTIFF’S MOTION FOR ENTRY OF FINAL JUDGMENTS
AGAINST DEFENDANTS AUSTAL LIMITED AND AUSTAL USA, LLC BY CONSENT**

The Securities and Exchange Commission (the “Commission”) respectfully moves for entry of final judgments against defendants Austal Limited (“Austal”) and Austal USA, LLC (“AUSA”) (collectively, the “Defendants”). In support of this motion, the Commission states as follows:

1. On August 26, 2024, the Commission filed its Complaint in this case. The Commission alleges, among other things, that Defendants engaged in a deceptive scheme to fraudulently overstate Austal’s revenues and earnings. During the relevant time alleged in the Complaint, Austal traded its shares of common stock on the Australian Securities Exchange, and also traded Level 1 sponsored American Depositary Shares on the American over-the-counter market. The Commission’s Complaint seeks injunctions against Defendants and civil monetary penalties against AUSA.

2. Defendants have agreed to resolve this matter with the Commission by consenting to the entry of final judgments against them, with Austal neither admitting nor denying the allegations.

3. Exhibits 1-2 are executed copies of the consents. **Exhibit 1** is the Consent of Austal. **Exhibit 2** is the Consent of AUSA.

4. Exhibits 3 and 4 are the proposed final judgments. **Exhibit 3** is the Final Judgment as to Austal. **Exhibit 4** is the Final Judgment as to AUSA. Defendants have agreed to the proposed final judgments. Consent of Austal at ¶ 2 (Ex. 1); Consent of AUSA at ¶ 2 (Ex. 2).

5. Defendants have agreed to entry of permanent injunctions restraining them from violating, directly or indirectly, certain provisions of the federal securities laws. Consent of Austal at ¶ 3 (Ex. 1); Consent of AUSA at ¶ 3 (Ex. 2); Final Judgment as to Austal at § I (Ex. 3); Final Judgment as to AUSA at § I (Ex. 4).

6. Defendant AUSA has also agreed to pay a civil penalty in the amount of \$24,000,000. Consent of AUSA at ¶ 2 (Ex. 2); Final Judgment as to AUSA at § II (Ex. 4). Defendant AUSA has agreed to pay the \$24,000,000 civil penalty in five installments to the Commission according to the following schedule: (1) \$4,000,000 within 30 days of entry of this Final Judgment; (2) \$2,500,000 by December 31, 2024; (3) \$3,500,000 by March 31, 2025; (4) \$6,000,000 by June 30, 2025; and (5) \$8,000,000 within 365 days of entry of the Final Judgment. Final Judgment as to AUSA at § III (Ex. 4).

7. Furthermore, Defendant AUSA has agreed that the Commission may propose a plan to distribute the Fund subject to the Court's approval. Final Judgment as to AUSA at § II (Ex. 4). Such a plan may provide that the Fund shall be distributed pursuant to the Fair Fund provisions of Section 308(a) of the Sarbanes-Oxley Act of 2002. *Id.* The Court shall retain jurisdiction over

the administration of any distribution of the Fund and the Fund may only be disbursed pursuant to an Order of the Court. *Id.*

8. In their consents, Defendants “agree[d] that the Commission may present the Final Judgment[s] to the Court for signature and entry without further notice.” Consent of Austal at ¶ 14 (Ex. 1); Consent of AUSA at ¶ 16 (Ex. 2).

WHEREFORE, the Commission respectfully moves for the entry of final judgments against Defendants.

Dated: August 26, 2024

Respectfully submitted,

s/ Christopher E. Martin

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